

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 17-18, 2023

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8a.(4), Action Item

Prepared By: Kyle Grading, Chief
Division of Rail and Mass Transportation

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION
FOR A STATE-ADMINISTERED STATE TRANSPORTATION
IMPROVEMENT PROGRAM RAIL PROJECT, PER STIP GUIDELINES
WAIVER 23-37**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project allocation for the State-Administered State Transportation Improvement Program (STIP) San Joaquin Corridor 2nd Platforms for Bi-hourly and Morning Express Rail Service project (PPNO 2191), in Stanislaus County, for the time period identified in the attachment?

RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission extend the period of project allocation for the State-Administered STIP San Joaquin Corridor 2nd Platforms for Bi-hourly and Morning Express Rail Service project (PPNO 2191), in Stanislaus County, for the time period in the attachment.

BACKGROUND:

The Department will not be able to request an allocation for funds by the June 30, 2023, deadline. The attachment shows the project details and the explanation for the delay. Current STIP guidelines, adopted by the Commission, stipulate that funds that are programmed for all components of local grant projects or Department construction and construction support costs are available for allocation only until the end of the fiscal year identified in the STIP. The Commission may approve a waiver to the timely use of funds deadlines, one-time only, for up to 20 months.

Attachment

*“Provide a safe and reliable transportation network that
serves all people and respects the environment.”*

**Time Extension/Waiver – Project Allocation Deadline
State Transportation Improvement Program**

Project Number: 1
Applicant: Department of Transportation
County: Stanislaus
District: 10
PPNO: 2191
Allocation Amount: \$16,400,000
Phase: Construction
Number of Months Requested: 20 Months
Extended Deadline: 2/28/2025
Department Recommendation: Support

San Joaquin Corridor 2nd Platforms for Bi-hourly and Morning Express Rail Service Project

The Department requests a 20-month time extension for allocation of Construction (CON) funds for the San Joaquin Corridor 2nd Platforms for Bi-hourly and Morning Express Rail Service project (PPNO 2191), in Stanislaus County (County). The project has experienced delays during the Project Approval/Environmental Design (PA&ED) Plans, Specifications and Estimate (PS&E), and Right of Way (RW) phases.

The project consists of the construction of a new platform at each of the Modesto and Turlock-Denair Amtrak stations, including associated track, signal, and passenger appurtenances. The project also includes construction of a pedestrian overpass at the Modesto station and upgrades to three railroad grade crossings.

COVID-19 pandemic related impacts resulted in initial delays in communication and site meeting activities and continued through allocation of the PA&ED phase in May 2021, and contract execution in July 2021. Following PA&ED contract execution, initial project site diagnostic meetings were conducted by BNSF at both the Modesto and Turlock-Denair Amtrak Stations in November 2021. Stakeholder representatives in attendance included the Department, BNSF, Amtrak, California Public Utilities Commission (CPUC), Stanislaus Regional Transit District, and the City of Modesto (City). Preliminary design work began, albeit with lingering schedule constraints and delayed input from stakeholders.

The Department's request for allocation of PS&E and RW phases in January 2022 was denied by the Commission due to funding uncertainties. The denial resulted in a two-month delay to March 2022 in requesting allocation approval. Further, execution of a contract for the PS&E and RW phases was delayed due to contractual negotiations between the Department and BNSF Railway Company (BNSF), which resulted in a delay of four months while the parties awaited legal clarification.

The Department is not yet able to request allocation due to an ongoing delay in obtaining necessary design review and response from Amtrak for the Modesto Amtrak Station passenger overpass, as well as the delay in obtaining CPUC permit approval for upgrades to the at-grade crossings near both stations, with Parker Road near the Modesto Amtrak Station requiring extensive coordination and design review by the City and County, as the grade crossing at Parker Road lies at the intersection of City and County jurisdiction.

In addition to the matters of stakeholder and jurisdictional delays, increases in the estimated project CON cost have necessitated seeking additional funding. The Department is seeking additional funds from the Federal Railroad Administration (FRA), which we anticipate will be forthcoming in late 2023 or early 2024. The Department is requesting the time extension for allocation of 20 months to provide sufficient time to execute a contract with FRA upon federal award notice.

The Department expects final design and permit approval by all parties no later than Fall 2023. Approval and scheduling of right of way activities by the County and the Modesto Irrigation District (MID) are underway. There are no issues with either the County or MID, nor are there anticipated problems with right of way activities.

Therefore, the Department is requesting a 20-month time extension to allocate CON from June 30, 2023 to February 28, 2025.